

**HOUSING IN KAZAKHSTAN  
RECENT STATISTICS AND TRENDS**

**Almaty, Kazakhstan**

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## BASIS HOUSING SECTOR STATISTICS

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## **Section A. General Economic Indicators**

Kazakhstan, like many other countries freed of communism but not of communist structures and traditions, suffers from the absence of a housing market in which people can make choices to maximize the efficiency of their choice of housing. While almost 90% of the housing stock has been “privatized,” most of the choices that owners need to manage their new wealth efficiently have not been privatized and owners of residential real estate have very limited choices of space, quality, location, and financing.

The size and seriousness of these obstacles can be seen in the published figures. These figures, however, do not tell the entire story. To provide a more useful and fuller picture, ICMA has gathered statistics on housing conditions in Kazakhstan during December 1993 and January 1994 from a variety of sources. These figures are presented here as our housing indicators for 1994.

**DATA SOURCES.** All data from Goskomstat (Govt. Statistical Committee) unless otherwise noted.

### **1. Exchange rate**

Most properties bought and sold, as well as many rental agreements, are made in dollars. To understand the significance of local currency figures at any point in the past year, a reader must know the prevailing exchange rate. The following table records the tenge auction rate at the Kazakhstan interbank currency exchange, maintained by the National Bank of Kazakhstan (NBK)

| <b>Date</b> | <b>Rate (tenge/usd)</b> |
|-------------|-------------------------|
| 11/19/93    | 4.68                    |
| 12/03/93    | 5.70                    |
| 1/27/94     | 9.35                    |
| 2/22/94     | 11.48                   |
| 3/31/94     | 19.94                   |
| 4/28/94     | 29.92                   |
| 5/31/94     | 40.73                   |
| 6/30/94     | 43.29                   |
| 7/28/94     | 45.33                   |
| 8/02/94     | 45.33                   |
| 9/02/94     | 46.90                   |
| 10/04/94    | 48.00                   |
| 11/01/94    | 49.85                   |
| 12/01/94    | 52.61                   |
| 1/03/95     | 54.41                   |
| 2/02/95     | 57.50                   |
| 3/02/95     | 59.90                   |

## 2. Minimum salary, tenge

The figures below show that incomes have not risen as fast as the price of the dollar, nor as fast as inflation of consumer products. Individual income, but not family income, has closely tracked the dollar to tenge rate change.

| Months         | Salary |
|----------------|--------|
| January 1994   | 29.2   |
| February-March | 40.0   |
| April-June     | 100    |
| July-September | 150    |
| October        | 200    |

Minimum salaries in tenge according to the governmental regulations,

Actual level of average individual salary

| Months    | Kazakhstan | Almaty |
|-----------|------------|--------|
| January   | 330.8      | 376.9  |
| Februar   | 369.6      | 475.6  |
| March     | 475.4      | 554.2  |
| April     | 807.0      | 941.6  |
| May       | 1028.6     | 1268.1 |
| June      | 1356.5     | 1678.3 |
| July      | 1725.8     | 2151.4 |
| August    | 1971.4     | 2483.8 |
| September | 2451.3     | 3022.5 |
| October   | 3090.8     | 3845.3 |

## 3. Average family income

| Months    | Kazakhstan | Almaty |
|-----------|------------|--------|
| January   | 577.2      | 883.5  |
| February  | 609.9      | 895.9  |
| March     | 765.3      | 970.3  |
| April     | 1001.9     | 1391.9 |
| May       | 1478.8     | 2132.8 |
| June      | 1897.8     | 3103.1 |
| July      | 2217.0     | 3642.5 |
| August    | 2797.9     | 4436.1 |
| September | 3276.4     | 4770.9 |
| October   | 3620.1     | 5735.0 |

#### 4. General bank interbank loan rate

The following table shows the National Bank of Kazakhstan's refinancing rate for NBK credits

| Date     | Rate (percent) |
|----------|----------------|
| 01/01/94 | 270            |
| 03/01/94 | 300            |
| 09/01/94 | 280            |
| 09/20/94 | 270            |
| 11/07/94 | 250            |
| 10/01/95 | 210            |
|          |                |

#### 5. Market interest rate, short term loans

The following information was obtained in a telephone survey of several banks. (Many banks refused to disclose information.) The reliability of the information we did get is hard to verify. According to anecdotal information many borrowers must pay bank officials 10-20% of loan value in order to be granted any loan at all.

- About 40 % of the surveyed banks are not lending any credits currently.
- A real estate loan requires 100% collateral
- To obtain a credit, a borrower must be a bank's customer for at least 6 months.
- The interest rate is regulated/limited by the refunding rate and cannot be lower than the latter. In January 1995 with a rate of 210% the credit interest was 300%.
- The repayment term is 3 or 6 months depending on the bank.
- Repayment of interest may be monthly or quarterly depending on the bank.

#### 6. Growth rate of GDP\*, %

These are official government figures. They do not take into account the amount of informal domestic product produced. The informal sector is large since many producers keep their production off the official record so that they do not have to pay the heavy tax burden the government imposes.

| Period                                 | Kazakhstan |
|--|------------|
| 1993 vs. 1992                          | 87.7       |
| 1-st q. 1994 vs. corresp. period of 93 | 70.0       |
| 1-st half-year of 94 vs c.p. of 93     | 72.8       |
| 9 months of 94 vs. c.p. of 93          | 71.8       |
| expected annual 1994 vs. 1993          | 74.6       |

#### 7. Annual inflation rate (consumer prices) in 1994 and previous years

| Period      | Kazakhstan | Almaty |
|-------------|------------|--------|
| 1994 vs. 93 | 1258.4     | 1361.7 |
| 1993 vs. 92 | 2265.0     | 2847.9 |
| 1992 vs. 91 | 3060.8     | na     |

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\* GNP is not calculated in Kazakhstan currently

## 8. Monthly inflation rate (consumer prices) for 1994

| Months    | Kazakhstan | Almaty |
|-----------|------------|--------|
| January   | 142.6      | 138.3  |
| February  | 124.2      | 138.1  |
| March     | 117.4      | 115.8  |
| April     | 131.8      | 132.9  |
| May       | 133.8      | 138.5  |
| June      | 145.9      | 142.4  |
| July      | 125.4      | 121.3  |
| August    | 113.3      | 114.9  |
| September | 109.7      | 109.4  |
| October   | 120.1      | 118.95 |
| November  | 114.2      | 115.3  |
| December  | 110.0      | na     |

Inflation in the first three months of 1995 continued to fall.

February 1995: 6.7 percent (using December 1994 as 100)

March 1995: 5.1 percent

## 9. Minimum Living Standards. No official data available

Recent data published for the former Soviet Union has noted a decrease in life expectancy with male life expectancy in Russia now down to 58. Other figures on living standards are not systematically collected. It is clear from the fact that incomes are lagging behind the rise in prices that buying power is decreasing. Since many families live near the subsistence line, it is logical to the mind and obvious to the eye that living standards are falling for most people.

## 10. Average family budget (calculated on the basis of a permanent sample of respondents).

Distribution of incomes, %

|                                |     |
|--------------------------------|-----|
| Total                          | 100 |
| Salary                         | 75  |
| Pensions, stipends, allowances | 7   |
| Income from selling            | 8   |
| Other                          | 10  |

Distribution of expenditure, %

|                |     |
|----------------|-----|
| Total          | 100 |
| Food           | 48  |
| Non-food goods | 27  |
| Services       | 10  |
| Taxes, fees    | 8   |
| Other          | 7   |

*Note: The average family's expenditures generally equal its income, so that savings is negligible. The absolute figures for income are given in paragraph 3 of this Section.*

Goskomstat does not segregate housing expenses in its data. We suspect the housing expense is included in 10% for services. This is consistent with our single city surveys which show families spending less than 10% of income on utilities, rent, and maintenance.

## **Section B. Demographic data**

*Note: The main source of data used here is the result of the 1989 All-union Census, and Goskomstat updates. .*

### **1. Total population, thousand of people.**

|       | Kazakhstan |         | Almaty   |         |
|-------|------------|---------|----------|---------|
|       | 12.01.89   | 1.01.94 | 12.01.89 | 1.01.94 |
| Total | 16464.5    | 16870.4 | 1121.4   | 1174.8  |
| Urban | 9402.6     | 9491.5  | 1121.4   | 1174.8  |
| Rural | 7061.9     | 7378.9  | not ap.  | not ap. |

### **2. Distribution of population by nationality, thousands of people**

|                | Kazakhstan |         | Almaty   |         |
|----------------|------------|---------|----------|---------|
|                | 12.01.89   | 1.01.94 | 12.01.89 | 1.01.94 |
| Total          | 16464.5    | 16870.4 | 1121.4   | 1174.8  |
| Kazakh         | 6534.6     | 7474.5  | 252.1    | 308.7   |
| Russian        | 6227.5     | 6041.6  | 663.2    | 646.4   |
| Ukranian       | 896.2      | 856.7   | 45.6     | 42.2    |
| Belorussian    | 182.6      | 177.6   | 4.5      | 6.9     |
| Azerbaizhanian | 90.1       | 102.0   | 5.0      | 6.5     |
| Uzbek          | 332.0      | 371.7   | 5.0      | 5.2     |
| German         | 957.5      | 613.8   | 20.1     | 10.0    |
| Tatar          | 328.0      | 330.4   | 27.3     | 28.0    |
| Other          | 916.0      | 902.0   | 98.6     | 120.9   |

### **4. Number of families, thousands**

|       | Kazakhstan |         | Almaty   |         |
|-------|------------|---------|----------|---------|
|       | 12.01.89   | 1.01.94 | 12.01.89 | 1.01.94 |
| Total | 3824.6     | na      | 281.0    | na      |
| Urban | 2331.3     | na      | 281.0    | na      |
| Rural | 1493.3     | na      | not ap   | na      |

*Note: Accurate data on number of families is available only in Census records with the most recent census conducted at 1989. However, we can estimate current number of families assuming average family size constant and dividing current number of population by census family size. This procedure would be more accurate if done separately for each national group, as family size varies substantially with different ethnic groups, and recent migration affected primarily the Russian population (with smaller family size) .*

## 5. Average family size

|       | <b>Kazakhstan</b> | <b>Almaty</b> |
|-------|-------------------|---------------|
| Total | 4.0               | 3.5           |
| Urban | 3.6               | 3.5           |
| Rural | 4.5               | not ap.       |

## 6. Emigration

Emigration has become a major factor in the changing population of Kazakhstan. In general, more affluent and better educated European stock has a net outmigration, and only Kazakhs have a net in-migration. Many Kazakh immigrants have lower than average educations and incomes, and larger than average families. Official and unofficial government policies contribute heavily to this trend. Kazakhs are favored for high government positions and often use strong family (clan) ties to win work for family members and friends. Government language policies and some privileged resettlement efforts favor incoming Kazakhs. The increasing dominance of high government positions by Kazakhs in a country where “blat” (powerful connections) still has great value, means Kazakhs often have advantages over other ethnic groups in maneuvering through the bureaucracy and in access to housing.

### Distribution of migrants by nationality for 1993

|                   | <b>Migration</b> |               |               |               |              |               |                |               |               |
|-------------------|------------------|---------------|---------------|---------------|--------------|---------------|----------------|---------------|---------------|
|                   | Total            |               |               | Far abroad    |              |               | Close abroad   |               |               |
|                   | balance          | inflow        | outflow       | balance       | inflow       | outflow       | balance        | inflow        | outflow       |
| <b>Kazakhstan</b> | <b>-222101</b>   | <b>111274</b> | <b>333375</b> | <b>-89461</b> | <b>11010</b> | <b>100471</b> | <b>-132640</b> | <b>100264</b> | <b>232904</b> |
| Kazakh            | 23490            | 36004         | 12514         | 6046          | 6399         | 353           | 17444          | 29605         | 12161         |
| Russian           | -123777          | 46352         | 170129        | -12590        | 634          | 13224         | -111187        | 45718         | 156905        |
| Ukrainian         | -16580           | 6698          | 23278         | -2550         | 111          | 2661          | -14030         | 6587          | 20617         |
| Belorussia        | -3848            | 1175          | 5023          | -471          | 11           | 482           | -3377          | 1164          | 4541          |
| Azerbaijan        | -184             | 1148          | 1332          | -57           | 4            | 61            | -127           | 1144          | 1271          |
| Uzbek             | -1571            | 1407          | 2978          | -35           | 9            | 44            | -1536          | 1398          | 2934          |
| German            | -84123           | 4089          | 88212         | -78478        | 344          | 78822         | -5645          | 3745          | 9390          |
| Tatar             | -5329            | 2944          | 8273          | -252          | 30           | 282           | -5077          | 2914          | 7991          |
| Other             | -10179           | 11457         | 21636         | -1074         | 3468         | 4542          | -9105          | 7989          | 17094         |
| <b>Almaty</b>     | <b>-17631</b>    | <b>6413</b>   | <b>24044</b>  | <b>-3241</b>  | <b>692</b>   | <b>3933</b>   | <b>-14390</b>  | <b>5721</b>   | <b>20111</b>  |
| Kazakh            | 1156             | 1769          | 613           | 42            | 101          | 59            | 1114           | 1668          | 554           |
| Russian           | -14150           | 3063          | 17213         | -920          | 158          | 1078          | -13230         | 2905          | 16135         |
| Ukrainian         | -1263            | 297           | 1560          | -38           | 27           | 65            | -1225          | 270           | 1495          |
| Belorussia        | -242             | 52            | 294           | -17           | 2            | 19            | -225           | 50            | 275           |
| Azerbaijan        | -41              | 32            | 73            | -8            | 1            | 9             | -33            | 31            | 64            |
| Uzbek             | -32              | 41            | 73            | -4            | 2            | 6             | -28            | 39            | 67            |
| German            | -2024            | 77            | 2101          | -1832         | 6            | 1838          | -192           | 71            | 263           |
| Tatar             | -239             | 158           | 397           | -33           | 4            | 37            | -206           | 154           | 360           |
| Other             | -796             | 924           | 1720          | -431          | 391          | 822           | -365           | 533           | 896           |



#### Migration and other statistics in thousands

|               | <b>1990</b> | <b>1991</b> | <b>1992</b> | <b>1993</b> |
|---------------|-------------|-------------|-------------|-------------|
| Total Pop.    | 16,793      | 16,934      | 16,986      | 16,942      |
| Births        | 363.3       | 354.1       | 338.5       | 316.3       |
| Deaths        | 128.8       | 134.6       | 137.7       | 156.3       |
| Outmigrants   | 763         | 686.3       | 742.4       | 683.5       |
| In-migrants   | 632.1       | 637.4       | 563.1       | 480.2       |
| Net Migration | (130.9)     | (48.9)      | (179.3)     | (203.3)     |
| Marriages     | 164.6       | 166.1       | 147.5       | 146.2       |

NOTE: We cannot account for the difference in net 1993 change reflected in the 2 tables.

A number of factors have influenced the changing demographics of Kazakhstani residents. We list some of the most important in the figures below.

#### AGE FACTORS

1991-3: number of elderly increased by 200,000 [no age stated]

#### ETHNIC FACTORS

1989-1993: Decrease in Russian, German and Ukrainian ethnics

Tartars about same level

Uzbeks increased in 1993 compared to 1992

Kazakhs increased 2.6% per year in past 4 yrs.

1993: 23,000 plus Kazakhs arrived from "far abroad" mainly settling in Kokshetau Obl. (15%); Akmolinsk Obl. (10%); Karaganda Obl. (9%); Kzyl-ordinskaya Obl. (9%). The main increase in the Kazakh population has been due to "natural causes," but the number of children per Kazakh family is decreasing. (The numbers of third or higher children decreased from 1,600,000 in 1991 to 86,600 in 1993)

Uzbeks: 1993 24.7 births per 1,000 people

Kazakhs: 19.7

Azeris: 18.6

Germans: 2.9

Tatars: 1.2

[Russian and other European stock figures not listed]

#### Russian and Ukrainian Vital Statistics:

For first time since 1989 census Russian and Ukrainian deaths exceeded births in Kazakhstan

Natural decrease was 3,377 among Russians, 2,189 among Ukrainians due to lower birth rate

### Ethnic makeup in thousands

|           | Number of People |        |        | Percent of Whole |      |      |
|-----------|------------------|--------|--------|------------------|------|------|
|           | 1979             | 1989   | 1994   | 1979             | 1989 | 1994 |
| Kazakh    | 5.829            | 6.535  | 7.474  | 36               | 39.7 | 44.3 |
| Russian   | 5.991            | 6.228  | 6.042  | 40.8             | 37.8 | 35.8 |
| Ukrainian | .898             | .896   | .857   | 6.1              | 5.4  | 5.1  |
| Belorus.  | .181             | .183   | .178   | 1.2              | 1.1  | 1.1  |
| German    | .900             | .957   | .614   | 6.1              | 5.8  | 3.6  |
| Uzbekh    | .263             | .332   | .372   | 1.8              | 2.2  | 2.2  |
| Tatar     | .313             | .328   | .331   | 2.1              | 2.0  | 2.0  |
| Azeri     | .073             | .090   | .101   | 0.5              | 0.5  | 0.6  |
| Total     | 14.684           | 16.464 | 16.870 | 100              | 100  | 100  |

### **Section C Housing demand and other data**

#### **1. Official occupation norm**

According to Article 73 of the draft of the Housing Code of the Republic of Kazakhstan,

1. Dwelling units provided from government housing stock should be no less than 15 sq.m. of **total** space per person. (About 135 sq. ft.)

2. Poor and socially vulnerable citizens should be provided dwellings no less than 6 sq.m of **living** space per person.

#### **2. Number of families on the housing waiting list as of Jan 1, 1994, thousands of people**

Waiting lists were established under Communist regimes and gave the appearance of a rational allocation system based on social values that designated various classes of “privileged” social positions--veterans, invalids, families with children, etc. Also, members of many organizations and enterprises were on waiting lists for housing from their employers. A few years ago, people had faith in the provision of housing according to their position on the list. Today it appears that the waiting lists are mainly composed of “privileged” classes defined and maintained for a combination of political and social reasons often independent of economic or physical necessity. For instance, a relatively affluent handicapped person or veteran may qualify for a residence despite occupying an existing residence made available by family circumstances or personal resources.

|       | <b>Kazakhstan</b> | <b>Almaty</b> |
|-------|-------------------|---------------|
| Urban | 458.7             | 56.1          |
| Rural | na                | na            |

#### **3. Living density**

Soviet norms in architecture and housing allocation largely dictated the relatively densely populated apartments and houses of Kazakhstan. In the absence of new construction, this legacy continues intact.

Average Number of residents living in one apartment, Jan 1, 1994

(One room apt. means kitchen, bathroom, and one living-sleeping-dining area. Two rooms means two rooms in addition to kitchen and bath. Most Soviet living-dining rooms become sleeping areas at night.)

|                  | <b>Kazakhstan</b> | <b>Almaty</b> |
|------------------|-------------------|---------------|
| 1-room apartment | 2                 | 2             |
| 2-room           | 3                 | 3             |
| 3-room           | 5                 | 4             |

Average provision of housing, square meters of space per resident. Note that "total" refers to entire area within the walls. "Living" refers to the total area minus bath and hallway. Most Soviet rooms have no closets.

|               | <b>Kazakhstan</b> | <b>Almaty</b> |
|---------------|-------------------|---------------|
| Total Space   | 14.7              | 17.1          |
| Living Space  | 10.0              | 10.6          |
| <i>1-room</i> |                   |               |
| Total         | 14.8              | 16.1          |
| Living        | 8.7               | 8.9           |
| <i>2-room</i> |                   |               |
| Total         | 14.9              | 16.4          |
| Living        | 9.5               | 9.9           |
| <i>3-room</i> |                   |               |
| Total         | 14.3              | 16.9          |
| Living        | 9.5               | 10.7          |

The table below table presents the relevant data on 472 residents from the Pilot Region of the City of Almaty. The table is based on a grouping of residents by total space per person.

| <b>Groupsby<br/>Sp/Pers</b> | <b>Cases</b> | <b>Rms/prs</b> | <b>Num Of<br/>rooms</b> | <b>Total<br/>Area</b> | <b>Num Of<br/>Pers</b> | <b>Num Of<br/>Child</b> | <b>Income<br/>per Cap</b> | <b>FoodExp<br/>(share)</b> |
|-----------------------------|--------------|----------------|-------------------------|-----------------------|------------------------|-------------------------|---------------------------|----------------------------|
| below 10                    | 43           | 0.37           | 1.77                    | 39.36                 | 4.81                   | 1.42                    | 189.93                    | 82.56                      |
| 10-15                       | 115          | 0.56           | 2.37                    | 53.20                 | 4.22                   | 1.03                    | 197.90                    | 87.41                      |
| 15-20                       | 150          | 0.72           | 2.39                    | 57.05                 | 3.30                   | 0.51                    | 219.66                    | 86.68                      |
| 20-25                       | 60           | 0.92           | 2.53                    | 59.77                 | 2.78                   | 0.32                    | 243.90                    | 88.50                      |
| 25-35                       | 63           | 1.13           | 2.37                    | 59.91                 | 2.10                   | 0.16                    | 253.35                    | 85.58                      |
| 35-40                       | 21           | 1.14           | 1.62                    | 50.36                 | 1.33                   | 0.00                    | 217.48                    | 91.90                      |
| above 40                    | 20           | 1.98           | 2.20                    | 55.30                 | 1.15                   | 0.00                    | 252.05                    | 83.25                      |
| <b>TOTAL</b>                | <b>472</b>   | <b>0.80</b>    | <b>2.30</b>             | <b>54.86</b>          | <b>3.26</b>            | <b>0.60</b>             | <b>220.50</b>             | <b>86.65</b>               |

The table below shows the occupancy level for individual (single-family) dwelling in the City of Talgar

**Occupancy level in different socio-demographic groups**

| Categories                         | Average | <=8  | 8 -20 | > 20 | Total |
|------------------------------------|---------|------|-------|------|-------|
| <i>Number of persons</i>           |         |      |       |      |       |
| 1 pers                             | 32.69   | 0.0  | 26.7  | 73.3 | 30    |
| 2 pers                             | 17.95   | 8.0  | 52.0  | 40.0 | 50    |
| 3 pers                             | 13.95   | 13.9 | 76.4  | 9.7  | 72    |
| 4 pers                             | 11.29   | 19.1 | 71.9  | 9.0  | 89    |
| 5 pers                             | 9.55    | 39.7 | 60.3  | 0.0  | 63    |
| 6 pers                             | 8.69    | 60.0 | 36.7  | 3.3  | 30    |
| 7 pers                             | 7.29    | 63.2 | 36.8  | 0.0  | 19    |
| 8 pers                             | 6.90    | 83.3 | 16.7  | 0.0  | 6     |
| <i>Number of children below 15</i> |         |      |       |      |       |
| No children                        | 17.40   | 10.7 | 61.1  | 28.2 | 149   |
| 1 child                            | 11.50   | 26.1 | 63.6  | 10.2 | 88    |
| 2 children                         | 9.43    | 41.4 | 54.0  | 4.6  | 87    |
| 3 children                         | 8.38    | 55.2 | 44.8  | 0.0  | 29    |
| 4 children                         | 8.65    | 66.7 | 22.2  | 11.1 | 9     |
| 5 and above                        | 8.89    | 50.0 | 50.0  | 0.0  | 2     |
| <i>Family type</i>                 |         |      |       |      |       |
| Single                             | 32.69   | 0    | 26.7  | 73.3 | 30    |
| Coup. without ch                   | 16.69   | 12.2 | 58.5  | 29.3 | 41    |
| Couple + childr                    | 11.43   | 27.5 | 65.2  | 7.3  | 178   |
| Coup.+ch+grand                     | 8.81    | 45.5 | 51.5  | 3.0  | 66    |
| Single mother                      | 13.79   | 20.0 | 60.0  | 20.0 | 10    |
| Other                              | 14.04   | 24.4 | 61.0  | 14.6 | 41    |
| <i>Socially vulnerable group</i>   |         |      |       |      |       |
| Disabled                           | 15.52   | 20.3 | 59.3  | 20.3 | 59    |
| Single,old                         | 25.86   | 6.3  | 31.3  | 62.5 | 16    |
| Single mothers                     | 9.18    | 75.0 | 12.5  | 12.5 | 8     |
| Large families                     | 5.81    | 71.4 | 28.6  | 0.0  | 14    |
| Other                              | 14.69   | 20.0 | 40.0  | 40.0 | 5     |
| Nobody                             | 12.75   | 25.4 | 61.9  | 12.7 | 268   |
| <i>Income per pers. (tenge)</i>    |         |      |       |      |       |
| <= 200                             | 11.44   | 39.3 | 49.3  | 11.4 | 140   |
| 201-300 tenge                      | 14.22   | 25.4 | 54.0  | 20.6 | 63    |
| 301-400 tenge                      | 15.67   | 15.6 | 59.4  | 25.0 | 64    |
| 401-500 tenge                      | 17.77   | 11.1 | 63.9  | 25.0 | 36    |
| > 500                              | 13.75   | 13.5 | 78.8  | 7.7  | 52    |
| TOTAL                              | 13.55   | 26.4 | 57.7  | 15.9 | 371   |

**4. Number of homeless people.**

No official data available. In general people do not seem to sleep on the streets, in hallways or in abandoned buildings in Kazakhstan.

## **Section D. Rental fee for a typical apartment (urban area)**

### **1. Definition of typical apartment**

The definition of typical apartment is as follows,

|                  |         |
|------------------|---------|
| Number of rooms  | 3       |
| Total space      | 60 sq.m |
| Living space     | 40 sq.m |
| Number of people | 4       |

### **2. Rental Fee in Urban Area of Kazakhstan, tenge per square meter**

|                      | Units | Kazakhstan |           | Almaty    |           |
|----------------------|-------|------------|-----------|-----------|-----------|
|                      |       | 20 Jan 94  | 21 Nov 94 | 20 Jan 94 | 21 Nov 94 |
| Rent fee/maintenance | sq.m  | 0.06       | 1.17      | 0.02      | 0.53      |
| Communal services    |       |            |           |           |           |
| Central heating      | sq.m  | 0.04       | 1.06      | 0.03      | 0.3       |
| Hot water            | pers  | 0.28       | 13.29     | 0.3       | 2.70      |
| Cold water           | pers  | 0.25       | 9.08      | 0.18      | 18.72     |
| Natural gas          | pers  | 1.10       | 51.54     | 1.10      | 44.0      |
| Electricity          | 1 kw  | 0.04       | 1.5       | 0.04      | 1.5       |
| Total for typical ap |       | 16.5       | 579.5     | 13.49     | 468.80    |
| Total per sq.m       |       | 0.28       | 9.66      | 0.22      | 7.73      |

*Note: In dollar terms the total for typical apartments went from \$1.76 per mo. to \$9.68 per month, or from 5% of an average salary to 16%. The percent of family income would be less, but in either case people found real housing costs in relation to income rising by 300%.*

*Note: Jan. 94, 9.35 tenge = \$1                      Avg. Salary: \$35*

*Nov. 94, 49.85 tenge = \$1                      Avg. Salary: \$61*

## **Section E Characteristics of housing stock, 1.01.94**

### **1,2,3. Total number of units, sq. meters (urban and rural)**

*Note: The data on total and living spaces below reflect apartments proper as well as dormitories and dwelling units attached to non-residential buildings like hospitals, schools, etc.*

|                            | <b>Kazakhstan</b> | <b>Almaty</b> |
|----------------------------|-------------------|---------------|
| Total Space, mln sq.m      | 247.0             | 20.0          |
| Urban                      | 150.3             |               |
| Rural                      | 96.7              |               |
| Living Space, mln sq.m     | 168.7             | 12.4          |
| Urban                      | 98.4              |               |
| Rural                      | 70.3              |               |
| Number of apartments, thnd | 4407.9            | 347.5         |
| Urban                      | 2774.3            | 347.5         |
| Rural                      | 1633.5            |               |
| Total space of apartments  | 238.5             | 18.6          |
| Urban                      | 143.0             |               |
| Rural                      | 95.5              |               |
| Living space of apartments | 163.9             | 11.7          |
| Urban                      | 94.3              |               |
| Rural                      | 69.6              |               |

#### 4. Distribution of housing stock by producer

Data not available. It is possible to determine only the distribution of housing stock by owner.

|                                  | <b>Kazakhstan</b>         |                          | <b>Almaty</b> |         |
|----------------------------------|---------------------------|--------------------------|---------------|---------|
|                                  | apartments,<br>thnd units | total space<br>thnd sq.m | ap.           | tots p  |
| Governmental, including          | 1063.2                    | 54170.2                  | 113.4         | 5597.0  |
| local administration             | 473.5                     | 23481.0                  |               |         |
| ministries                       | 589.7                     | 30689.2                  | 24.7          | 1152.3  |
| Cooperatives                     | 137.5                     | 6758.9                   | 19.1          | 1021.2  |
| Individual, including privatized | 3217.1                    | 177589.0                 | 215.0         | 12011   |
| Totals                           | 4417.8                    | 238518.1                 | 347.5         | 18629.2 |

*Note: Government offices often claim as much as 80-90% of the housing stock has been privatized. It is possible that Goskomstat figures are lagging reality or that the government agencies are ahead of reality. Verification would take a major effort.*

#### 5. Dachas.

Regulations reflecting communist politics classified dachas as summer temporary dwellings and, as such, they were not included in housing stock. Indoor plumbing and other amenities for year round living were not allowed. Therefore data on dachas are not available at present moment. Many people, however, have already begun to turn dachas into year round houses, often much larger than the average apartment. Much of the construction is taking place in areas without community water or sewer and on roads adequate for only one car. Some dacha areas have informal landholders' associations that collect some fees for eventual improvements.

**6. Average size of apartments, sq.m**

|              | <b>Kazakhstan</b> | <b>Almaty</b> |
|--------------|-------------------|---------------|
| Total space  | 51.2              | 50.0          |
| Living space | 33.1              | 30.5          |

**7. Average size of individual single-family buildings.**

Official data are not available, because data on individual units don't distinguish between one-, two-, or more -unit buildings.

**8. Number of apartments structurally unsound.**

Note: the condition is generally defined only as housing not fit for habitation because of structural depreciation.

|  | <b>Kazakhstan</b> | <b>Almaty</b> |
|--|-------------------|---------------|
| Total space of                               | 1289.3            | 282.2         |
| In % to the present housing stock at 1.01.94 | 0.5               | 1.4           |

*Note: data on unsound housing is available only in terms of sq. meters.*

**9. Number of apartments without utilities**

| Share of apartments not provided with, | <b>Kazakhstan</b> |      | <b>Almaty</b> |      |
|--|-------------------|------|---------------|------|
|  | thnd units        | %    | thsnd         | %    |
| cold water                             | 276.8             | 23.2 | 30.8          | 23.3 |
| natural gas                            | 215.3             | 18.1 | 8.2           | 6.2  |
| district heating                       | 269.1             | 22.6 | 36.9          | 27.9 |

*Note1: The data above relate to all multi-family apartment buildings, including both urban and rural areas.*

*Note2: The higher percentage of homes without district heating in Almaty, might be the result of a higher percentage of single, double, and triple family homes that have their own heating systems: natural gas, bottled gas, coal, kerosene, or wood.*

**10. The number of single-family buildings.**

*Note: Since single-family buildings cannot be distinguished among 2 and 3 family dwelling units, the data are given only for individual buildings, regardless of number of families. The percentages are calculated on the basis of living space of individual houses.*

| Share of units not provided with, | Kazakhstan | Almaty |
|-----------------------------------|------------|--------|
|                                   | %          | %      |
| cold water                        | 57.3       | 13.6   |
| natural gas                       | 13.5       | 6.5    |
| district heating                  | na         | 34.9   |

## **Section F Inventory of unfinished residential buildings**

|  | Kazakhstan |      | Almaty     |      |
|--|------------|------|------------|------|
|  | mln. tenge | %    | mln. tenge | %    |
| Unfinished construction by the end of the year |            |      |            |      |
| All sources of financing                       | 720.4      | 55.9 | 81.0       | 80.4 |
| Governmental financing                         | 589.9      | 79.9 | 67.9       | 80.0 |

*Note: The percentage column in the table above means the proportion of annual investment by the indicated source that is tied up in unfinished objects. In addition we should note that much of the unfinished construction is shoddy, undesirable and deteriorating. In other words, it should not be assumed, in a market economy, to be 100% usable or to have significant value.*

Data on the share of unfinished construction intended for those on waiting lists is not available because this issue is not covered by governmental statistics. Also there were no surveys on this topic. The same is true for single-family apartments.

## **Section G Status of housing privatization**

Privatization/selling of governmental housing started in the Republic of Kazakhstan in 1989 when about 9,100 flats were privatized/sold to their owners (for Almaty the figure is about 700). After that the process speeded up.

Thousands of Units Privatized

|            | 1990 | 1991  | 1992   | 1993  | 1994 (9 mth) |
|------------|------|-------|--------|-------|--------------|
| Kazakhstan | 35.9 | 141.1 | 1007.3 | 977.9 | 331.7        |
| Almaty     | 4.5  | 23.0  | 81.5   | 76.1  | 36.9         |

From 1990 on, a free-of-charge transfer of state rental units to the residents was practiced as well. Several categories of citizens were eligible for free transfer, the disabled and war veterans, for instance. In Almaty, as well as elsewhere, sale at nominal prices or for housing vouchers proved so inefficient, that cities simply gave away housing.

Large-scale privatization of state housing started at the end of 1991 after the Government Program of Privatization and other regulatory documents were adopted.

Accomplishing the privatization program made great changes in the distribution of ownership.



## Changes in Ownership

|                           | 1990 |      | 1991 |      | 1992 |      | 1993 |      | 1 Oct. 94 |      |
|---------------------------|------|------|------|------|------|------|------|------|-----------|------|
|                           | Kaz  | Alm  | Kaz  | Alm  | Kaz  | Alm  | Kaz  | Alm  | Kaz       | Alm  |
| All housing stock         | 100  | 100  | 100  | 100  | 100  | 100  | 100  | 100  | 100       | 100  |
| State                     | 64.6 | 75.3 | 61.2 | 65.3 | 45.9 | 53.6 | 24.9 | 32.8 | 17.8      | 23.3 |
| Public                    | 1.5  | 0.5  | 1.5  | 0.3  | 2.0  | 1.9  | 1.8  | 2.9  | 1.8       | 2.9  |
| Cooperatives              | 1.6  | 4.3  | 1.6  | 4.0  | 1.6  | 4.1  | 1.4  | 4.1  | 1.4       | 4.1  |
| Individual and privatized | 32.3 | 20.0 | 35.7 | 30.4 | 50.5 | 40.4 | 71.9 | 60.2 | 79.0      | 69.7 |

Revenues collected by the state from housing privatization are not significant and go to municipal budgets.

## Section H Construction activity

New construction, including dormitory, boarding schools, in thousands of sq.m of total space

|                        | 1987 |     | 1988 |     | 1992 |     | 1993 |      | 1994 |     |
|------------------------|------|-----|------|-----|------|-----|------|------|------|-----|
|                        | Kaz  | Alm | Kaz  | Alm | Kaz  | Alm | Kaz  | Alm  | Kaz  | Alm |
| All sources            | 8303 | 556 | 8779 | 664 | 5046 | 295 | 3856 | 238  | 2251 | 163 |
| State investments      | 6972 | 503 | 7110 | 624 | 3731 | 244 | 2202 | 170  | 978  | 107 |
| Housing Cooperatives   | 257  | 36  | 258  | 20  | 100  | 38  | 108  | 14.5 | 64   | -   |
| Kolxozes (collectives) | 270  | -   | 250  | 2   | 93   | -   | 67   | -    | 24   | -   |
| Individuals            | 804  | 17  | 1161 | 18  | 1122 | 13  | 1057 | 13.5 | 754  | 21  |
| Enterprises            | -    | -   | -    | -   | -    | -   | 422  | 40   | 431  | 35  |

*Note: 1988 was the year of highest construction activity in Kazakhstan for the last 10 years.*

## New construction in terms of thousand units

|                      | 1987  |      | 1988  |      | 1992 |     | 1993 |     |
|----------------------|-------|------|-------|------|------|-----|------|-----|
|                      | Kaz   | Alm  | Kaz   | Alm  | Kaz  | Alm | Kaz  | Alm |
| All sources          | 133.7 | 10.4 | 134.6 | 10.7 | 67   | 4.9 | 48.4 | 3.8 |
| State investments    | 115.6 | 9.5  | 113.9 | 10.0 | 53.7 | 4.2 | 30.6 | 2.8 |
| Housing Cooperatives | 4.8   | 0.7  | 4.7   | 0.4  | 1.7  | 0.6 | 1.8  | 0.3 |
| Kolxozes             | 3.7   | -    | 3.4   | 0.04 | 1.1  | -   | 0.8  | -   |
| Individuals          | 9.6   | 0.2  | 12.6  | 0.3  | 10.5 | 0.1 | 9.4  | 0.1 |
| Enterprises          | -     | -    | -     | -    | -    | -   | 5.8  | 0.6 |

The corresponding data for individual dwelling units are not available in Goskomstat.

## **Section I    Construction costs**

### **1.      Average construction costs in dollars per one sq. meter, 1993, tenge**

*(Note: tenge approx. 5=\$1)*

|                      | <b>Kazakhstan</b> | <b>Almaty</b> |
|----------------------|-------------------|---------------|
| State multi-family   | 148               | 138           |
| Individual buildings | 377               | 483           |

Data for 1994 are not ready yet. The above data for 1993 is somewhat underestimated due to the effect of the introduction of tenge in November 15, 1993 with its forced ruble/tenge exchange rate at 1:500.

*Note: These construction costs are not market derived but probably figured on the basis of official coefficients applied to 1984 and/or 1991 prices. In January of 1995 ICMA research estimates the cost of multi-family space at approximately \$150 per sq. meter for typical Soviet style space. For more modern single family space the price is likely to be \$250 per sq. meter. The price in 1993 was certainly not \$27 and \$99 for multi family and single family respectively.*

## 2. Unit costs for selective building materials

Construction costs (lowest prices, October 1994). Actual costs collected by interviews and price lists from suppliers.

| #   | Item or Description         | Unit    | Cost, \$ |
|-----|-----------------------------|---------|----------|
| 1.  | Linoleum local              | Sq. m   | 3.20     |
| 2.  | Tile, Italy                 | Sq. m   | 7.00     |
| 3.  | Pink Lime stone             | Sq. m   | 13.00    |
| 4.  | Wall paper                  | 10 sq.m | 8.45     |
|     | Plumbing                    |         |          |
| 5.  | Toilet Local                | Unit    | 15.00    |
| 6.  | Shower Local                | Unit    | 25.00    |
| 7.  | Sink Local                  | Unit    | 6.00     |
|     | Firnishing                  |         |          |
| 8.  | Fiber board                 | Sq. m   | 1.00     |
| 9.  | Partical board              | Sq. m   | 3.50     |
| 10. | Door                        | Unit    | 20.00    |
| 11. | Wood rough furnish          |         | 120.00   |
|     | Concrete                    |         |          |
| 12. | Cement                      | tn      | 44.64    |
| 13. | Ready mix concrete          | Cubic m | 37.50    |
| 14. | Foundation slab             | Cubic m | 62.50    |
| 15. | Wall concrete slab          | Unit    | 178.57   |
| 16. | Concrete cover slab 3.5*1.2 | Unit    | 50.00    |
| 17. | Concrete cover slab 4.7*1.2 | Unit    | 73.21    |
| 18. | Foundation slab 2.4*.4*.6   | Unit    | 23.21    |
|     | Brick                       |         |          |
| 19. | Silicate brick (white)      | 1000 un | 107.00   |
| 20. | Red Brick                   | 1000 un | 90.00    |

| #   | Item or Description             | Unit   | Cost, \$ |
|-----|---------------------------------|--------|----------|
|     | Dry Substances                  |        |          |
| 21. | Sand                            | tn     | 4.40     |
| 22. | Gravel                          |        |          |
|     | Mechanisms                      |        |          |
| 23. | Crane (machine)                 | 1 hour | 64.86    |
| 24. | Backhoe                         | 1 hour | 5.54     |
| 25. | Bulldozer                       | 1 hour | 3.75     |
|     | Utility Connection              |        |          |
| 26. | Wtersystem                      | Unit   | 10.71    |
| 27. | Sewer system                    | Unit   | 12.50    |
| 28. | Heating system                  | Unit   | 9.83     |
|     | One Unit of Installation        |        |          |
| 29. | Watersystem                     | Meter  |          |
| 30. | Sewer system                    | Meter  |          |
| 31. | Heating system                  | Meter  |          |
|     | Road Const                      |        |          |
| 32. | Asphalt                         | sq m   |          |
| 33. | Asphalt                         | tn     | 17.86    |
|     | Metal Details                   |        |          |
| 34. | Steel pipe d.15;20;25;32;40;57  | tn     | 195.00   |
| 35. | Cast-iron pipe d. 65;100;150    | tn     | 325.00   |
| 36. | L-beam 40;50;63;80;100;125      | tn     | 130.00   |
| 37. | U-beam 5.5;10;12;14;16;18;22    | tn     | 130.00   |
| 38. | Reinforcing steel 8;10;12;14;16 | tn     | 120.00   |

Note: figures supplied by official government estimators are considerably different. Many government building and maintenance units still estimate components and unit in place costs by a system of base prices, that are several years old, multiplied by a coefficient to update them. They often bear little resemblance to real market prices.

## **Section J Residential real estate market activity, leases and sales**

### **1. Apartment rentals in the City of Almaty**

The tables below are built on the basis of the rental data for rents of some 150 apartment cases collected by ICMA staff. All cases are multi-family buildings. This data, as well as the sales data in the next section, were provided by principals to the transaction or by the broker.

Average rent per sq.m. in typical apartments of the most desirable (Center) vs. undesirable (Micro- and FarDistant) regions

| <b>Regions</b> | <b>Typical apartment</b> | <b>Cases</b> | <b>Kitchen Size</b> | <b>RoomNum</b> | <b>Rent/Area, \$</b> |
|----------------|--------------------------|--------------|---------------------|----------------|----------------------|
| Center         | BrickBigKitch            | 35           | 10.34               | 2.57           | 6.99                 |
| Microreg       | PanelMedKitch            | 10           | 7.20                | 1.80           | 3.87                 |
| FarDistantRe   | PanelBigKitch            | 6            | 10.00               | 1.83           | 1.76                 |
| TOTAL          |                          | 51           | 9.69                | 2.33           | 5.76                 |

Rent per sq. meter of total space in Almaty & different regions broken down by times

|               | <b>Whole City</b> |                   | <b>Center</b> |                   | <b>Micro &amp; Distant reg</b> |                   |
|---------------|-------------------|-------------------|---------------|-------------------|--------------------------------|-------------------|
|               | <b>cases</b>      | <b>rent/total</b> | <b>cases</b>  | <b>rent/total</b> | <b>cases</b>                   | <b>rent/total</b> |
| Nov-Dec93     | 16                | 6.231             | 15            | 6.548             | 1                              | 1.481             |
| Jan-Feb 94    | 13                | 8.795             | 9             | 11.723            | 3                              | 1.333             |
| March-Apr     | 53                | 2.591             | 17            | 3.316             | 16                             | 1.542             |
| May94 & later | 66                | 4.050             | 24            | 4.790             | 19                             | 3.673             |
| TOTAL         | 148               | 4.180             | 65            | 5.770             | 39                             | 2.563             |

### **2. Secondary sales of privatized apartments**

Dynamics of sales prices per sq.m of apartments over time

| <b>Periods</b> | <b>Cases</b> | <b>TotalSp sq.m</b> | <b>KitchSize sq.m</b> | <b>Price/Area \$</b> |
|----------------|--------------|---------------------|-----------------------|----------------------|
| Nov-Dec93      | 114          | 57.87               | 8.51                  | 267.37               |
| Jan-Feb94      | 147          | 59.18               | 8.12                  | 196.19               |
| March-Apr9     | 213          | 51.43               | 7.75                  | 170.46               |
| May-June94     | 214          | 55.50               | 8.24                  | 221.14               |
| July-Aug94     | 38           | 50.66               | 7.50                  | 174.82               |
| Sept94 & a     | 74           | 57.50               | 8.22                  | 166.36               |
| TOTAL          | 800          | 55.39               | 8.09                  | 202.38               |

Selling prices of one sq. meter in typical apartments of different regions of Almaty

| Location           | Apartment Type     | Cases     | TotalSp sq.m | FinPr/Area \$ | Num of rooms | Kitchen size |
|--------------------|--------------------|-----------|--------------|---------------|--------------|--------------|
| <b>LowerCenter</b> | <b>PanelSmallK</b> | <b>18</b> | <b>47.50</b> | <b>176.83</b> | <b>2.17</b>  | <b>6.00</b>  |
| LowerCenter        | BrickBigK          | 13        | 61.73        | 233.97        | 2.46         | 9.62         |
| <b>Center</b>      | <b>BrickBigK</b>   | <b>80</b> | <b>65.66</b> | <b>295.40</b> | <b>2.54</b>  | <b>9.94</b>  |
| UpperRegio         | BrickBigK          | 12        | 61.25        | 271.82        | 2.42         | 9.51         |
| <b>UpperRegio</b>  | <b>PanelBigK</b>   | <b>15</b> | <b>65.50</b> | <b>230.82</b> | <b>2.87</b>  | <b>10.07</b> |
| VDNH               | BrickSmallK        | 11        | 37.96        | 144.97        | 1.91         | 6.00         |
| <b>VDNH</b>        | <b>BrickBigK</b>   | <b>20</b> | <b>66.88</b> | <b>250.55</b> | <b>2.75</b>  | <b>9.50</b>  |
| <b>Tastak</b>      | <b>PanelBigK</b>   | <b>19</b> | <b>56.71</b> | <b>160.52</b> | <b>2.37</b>  | <b>10.21</b> |
| <b>MicroRegio</b>  | <b>PanelSmallK</b> | <b>81</b> | <b>45.83</b> | <b>138.52</b> | <b>2.12</b>  | <b>5.99</b>  |
| DistantReg         | BrickBigK          | 28        | 55.00        | 124.36        | 2.25         | 9.93         |
| <b>DistantReg</b>  | <b>PanelBigK</b>   | <b>48</b> | <b>62.92</b> | <b>162.12</b> | <b>2.69</b>  | <b>10.15</b> |
| <b>SouthWest</b>   | <b>PanelSmallK</b> | <b>25</b> | <b>46.30</b> | <b>137.98</b> | <b>2.20</b>  | <b>6.00</b>  |
| TOTAL              |                    | 370       | 56.46        | 195.05        | 2.40         | 8.50         |

*Note: The most desirable regions are Center and Upper region (ecologically clean). The most undesirable are MicroRegion and DistantRegion. Apartment type mean the certain combination of two factors: external wall material and kitchen size. Big kitchen means more than 8 sq. meters. Small means 7 and less.*

## **Section K Land Market Characteristics**

At present the form of land tenure that is closest to ownership is inheritable life tenure. There is no significant market in vacant land or residential building lots except for single lots. These are often allocated from enterprises, collectives, and government through political connections and occasionally on the basis of some special standing--war heroes, long term government service, etc.

Given below are some data on the land selling prices in Almaty in July-August 1994

Prices of the land sites in the Almaty (July - August 1994)

| #  | Area<br>(hectare) | Allocation                             | State of Development  | Price \$ |
|----|-------------------|--|---|----------|
| 1  | 0.06              | Micro district "Taugul"                | No  | 2,000    |
| 2  | 0.010             | Town Mamyr in prestige district        | No  | 2,000    |
| 3  | 0.010             | Town Kamenka                           | No  | 1,500    |
| 4  | 0.07              | A district near observatory            | No  | 3,000    |
| 5  | 0.08              | Down from Baraholka                    | No  | 500      |
| 6  | 0.08              | Town Nizhnyaya Kamenka                 | Incomplete basement   | 3,000    |
| 7  | 0.08              | Town Akbulak (Saina and Raiymbeka St.) | No  | 600      |
| 8  | 0.016             | Down from Baraholka                    | Excavation, electricity, water  | 5,000    |
| 9  | 0.08              | Town Verhnyaya Kamenka                 | 80 foundation slabs, 15<br>concreet slabs, 100 metal roof<br>covering | 5,000    |
| 10 | 0.10              | Town Alatau                            | Temporry dwellind, water  | 4,500    |
| 11 | 0.06              | Shanyrak 2                             | No  | 300      |
| 12 | 0.10              | Kalkaman                               | No  | 2,000    |
| 13 | 0.07              | Town Taugul                            | No  | 1,500    |
| 14 | 0.08              | Town Kok-Kaynar                        | Basement  | 1,500    |

### **Section L    Republic level government housing budget information**

Since the Presidential Housing Decree in September 1993, the national government has promised millions of dollars to its Zhilstroi Bank for housing, construction and infrastructure lending. In January 1995, the president drafted a new decree, admitting that the government had failed to supply the funds promised by his first decree, and now promising 20% of royalties earned by oil, gas, and gold. In subsequent political events the adoption of the decree did not take place and was not in place as of this writing.

Most subsidies to local governments have been stopped. Local governments have not yet picked up a significant percent of the utility and maintenance subsidies once provided by enterprises and government.

#### *Addendum 3/16/95*

According to the most recent information from the Ministry of Construction, the draft version of budget for 1995 includes the following items

1. 100 mln tenge will be allowed for free subsidies to those who have been on waiting lists more than 10 years. This subsidy will be as much as 20% of the construction costs of the social standard for a family in question (now 15 sq.m. ~~total~~ space per person).
2. 2.2 billion tenge will be allowed for housing loans intended for the so-called "socially vulnerable" people eligible for privileged financing. Those eligible for favorable loans might be found both in housing waiting lists or not. In first case they will get 20% of the money they need free and 80% as long-term loan. In second they will have to get 100% of the sum as a loan. The loan terms according to the Presidents decree will be 5% interest rate on the period no longer than 30 years.

3 530 mln tenge will be allowed in the budget for constructing of free shelters for the needy (people with very low income, pensioners, etc.). This group doesn't overlap with either of the two previous groups. The space will be allocated on the basis of sanitary norm equal to 6 sq.m. **offliving** space.

### **Section M City communal services budget**

#### **1. Expenditures and revenues for communal services (on the basis of data from Talgar)**

Annual expenditures, revenues, and subsidies. Total Governmental Stock, tenge, 1 Sept. 1994

|                      | Cities<br>revenues | Subsidy    | Total      | Required by<br>Norm | Space,<br>sq.m | Total/m2 | Norm/m2 |
|----------------------|--------------------|------------|------------|---------------------|----------------|----------|---------|
| Rent Fee             | 424412.16          | 1167133.17 | 1591545.3  | 1591545.3           | 176838.4       | 9.00     | 9.00    |
| Heating              | 10610302           | 10610302   | 21220604   | 21220604            | 176838.4       | 120.00   | 120.00  |
| Current<br>Repairing | 7205               | 0          | 7205       | 466801              | 176838.4       | 2.64     | 2.64    |
| Hot water            | 5330707.2          | 0          | 5330707.2  | 5330707.2           | 176838.4       | 3.25     | 30.14   |
| Cold water           | 575366.4           | 0          | 575366.4   | 575366.4            | 176838.4       | 2.52     | 3.25    |
| Sewerage             | 445863.6           | 0          | 445863.6   | 445863.6            | 176838.4       | 35.25    | 2.52    |
| Gas                  | 6233136            | 0          | 6233136    | 6233136             | 176838.4       | 2.35     | 35.25   |
| Radio outlet         | 414960             | 0          | 414960     | 414960              | 176838.4       | 2.35     | 0.23    |
| Telephone            | 41480              | 0          | 41480      | 41480               | 176838.4       | 42.25    | 0.23    |
| Electricity          | 7471440            | 0          | 7471440    | 7471440             | 176838.4       | 245.04   | 42.25   |
| Total                | 31,554,873         | 11,777,435 | 43,332,308 | 43,791,904          |                | 245.04   | 247.64  |

*Note: "Radio outlet" refers to the government supplied radio connections once and still common in most Soviet households. In Almaty these radios receive three stations. Since the outlet cannot be turned on or off, payment is mandatory, but tiny.*